



For Immediate Release
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CPA's C-Z Political Disclosure Index to be Released October 28

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*Announcement to be made at
The Wharton School*

The Center for Political Accountability and the Wharton School's Zicklin Center for Business Ethics Research will unveil Oct. 28 a path breaking new index that rates companies for the quality of their political disclosure and accountability practices.

The Corporate Political Disclosure and Accountability Index will be released at the University of Pennsylvania's Wharton School in Philadelphia on the eve of what is expected to be the highest-spending election year in history.

The C-Z Index, which takes its name from its sponsors, opens a window on the political priorities and expenditures of the country's largest businesses and allows shareholders and the public to better assess how companies are using the freedom to spend in elections that the Supreme Court recognized in the Citizens United case. The Index will be expanded to companies belonging to the S&P 500 in 2012.

"Our Index will provide investors with a means of evaluating whether their company's policies and practices invoke transparency or meaningful accountability," said Bruce F. Freed, CPA president. "It will also help companies assess the extent to which they're following best practices for political disclosure and accountability."

"Political spending is expected to shatter records in the

upcoming election year, and the Supreme Court's Citizens United decision means companies are facing more pressure than ever to engage politically. Secret campaign cash already has begun pouring in to campaigns. Investors and the public need to know how companies are handling the heightened risk."

The Index, relying on information that's publicly available from company websites, will be the first of its kind. It will draw on emerging best practices identified in the Handbook on Corporate Political Activity, released in November by The Conference Board. The Handbook was co-authored by CPA.

Indicators in the Index will include whether companies engage in independent political expenditures; whether they have well defined policies that govern political spending, decision-making and oversight; and whether they disclose their expenditures. Political spending includes payments to trade associations, 527s, political committees and 501(c)(4) advocacy organizations including those that cloak the identity of their donors.

A top-flight advisory committee advised CPA in setting up the objective system for scoring companies' performance. The panel included both academic experts and practitioners experienced with developing indexes. The sponsors want to thank Larry Zicklin for his generous support for the index and his recognition of the importance of this work in assisting corporate America in responding responsibly to the new freedom it enjoys.

About the Center for Political Accountability

In 2003, CPA launched its initiative to bring transparency and accountability to corporate political spending. Its work with partner groups has successfully moved 85 large public companies, including half of the companies in the trend-setting S&P 100 Index, to disclosure and board oversight policies for political spending.

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